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14 Attorneys for Defendants

15 Lawrence J. Mazzola; Lawrence Mazzola, Jr;  
16 William B. Fazande; Larry Lee; James R. Shugrue;  
17 Vohon J. Kazarian; Tom Irvine; Robert E. Buckley;  
18 Robert Buckley, Jr; Art Rud; Ron Fahy; Robert  
19 Nurisso; Frank Sullivan; U.A. Local 38 Pension  
20 Trust Fund; U.A. Local 38 Health & Welfare Trust  
21 Fund; U.A. Local 38 Apprentice & Journeyman  
22 Training Trust Fund; U.A. Local 38 Scholarship  
23 Trust Fund; U.A. Local 38 Vacation and Holiday  
24 Trust Fund; U.A. Local 38 Convalescent Trust Fund  
and Richard L. Milsner

15 UNITED STATES DISTRICT COURT  
16 NORTHERN DISTRICT OF CALIFORNIA

17 ELAINE L. CHAO, Secretary of Labor,  
18 United States Department of Labor,

19 Plaintiff,

20 v.

21 LAWRENCE J. MAZZOLA, et al.,  
22 Defendants.

Case No. C 04 4949 PJH

DECLARATION OF LAWRENCE J.  
MAZZOLA

Judge: Hon. Phyllis J. Hamilton

24 I, Lawrence J. Mazzola, declare as follows:

25 1. I am the Business Manager and Financial Secretary/Treasurer of the U.A. Local

26 38. I have held this position since 1989. The following declaration relates to information of

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which I have personal knowledge and to which I could and would competently testify in a court of law.

2. In 2000 I became aware that the U.A. Local 38 Convalescent Trust Fund was in default on its approximately \$11,600,000 loan with Imperial Bank. This note was secured by a deed of trust on the Konocti Harbor Resort & Spa and Imperial Bank had begun foreclosure proceedings. On behalf of the Convalescent Trust Fund I negotiated an agreement wherein Imperial Bank would accept \$6,000,000 in full satisfaction of the outstanding loan.

3. The Convalescent Fund was unable to secure any commercial financing to satisfy the approximately \$11,600,000 Imperial Bank loan for \$6,000,000.

Executed on this 6th day of December, 2006 at San Francisco, California.

  
Lawrence J. Mazzola